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BEFORE THE ARIZONA CORPORATION COMMISSION  
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2008 SEP -2 P 3:39

AZ CORP COMMISSION  
DOCKET CONTROLIN THE MATTER OF THE APPLICATION OF  
DOUBLE DIAMOND UTILITIES, INC. FOR A  
CERTIFICATE OF CONVENIENCE AND  
NECESSITY TO PROVIDE WATER SERVICE  
AND WASTEWATER SERVICE

Docket No. WS-20543A-07-0435

NOTICE OF FILING  
COMPLIANCE

Double Diamond Utilities, Inc., through undersigned counsel, hereby files for Commission approval its Water Conservation Plan in compliance with Decision No. 70352 (dated May 16, 2008).

RESPECTFULLY submitted this 2<sup>d</sup> day of September, 2008.

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By

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Original and 13 copies of the foregoing  
filed this 2<sup>nd</sup> day of September 2008, with:Docket Control  
Arizona Corporation Commission  
1200 West Washington  
Phoenix, Arizona 85007Arizona Corporation Commission  
DOCKETED

SEP -2 2008

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1 Copy of the foregoing hand-delivered/mailed  
2 this 2<sup>nd</sup> day of September 2008 to:

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By Mary Appolits

**DOUBLE DIAMOND UTILITIES, INC.**

**WATER CONSERVATION PLAN**

**(PROPOSED)**

**SEPTEMBER 1, 2008**

## **DOUBLE DIAMOND UTILITIES, INC**

### **Water Conservation Philosophy**

Double Diamond Utilities, Inc. ("DDU and or "the Company") has the profound opportunity to institute and promote water resource conservation and energy saving programs for new water and wastewater service areas. The successful execution of the water conservation efforts, and the resultant energy saving programs, will help to ensure the short and long term viability of the water resources in these areas, as well as result in the betterment and enhancement of the quality of life in the community's being served. The water conservation efforts also incorporate a sound environmental approach, ensure community involvement, and produce good Company economics.

DDU emphasizes a sustainable/integrative approach in the use, re-use, operation and maintenance of water resources, and the associated facilities, of the Company. The conservation efforts focus on potable water source reduction mandates to most beneficially balance the needs of the company, the customers and the environment. Effective source reduction programs result in less energy mandates, greater water efficiency's, less waste, significant re-use applications, and sustainable operation, maintenance and environmental directives.

The conservation program is primarily supported with a mandate to reduce water use in and around all structures within the Company's service area. By focusing on this fundamental base reduction, the Company is able to leverage the economic and environmental advantages through the complete water use cycle including; well water withdrawal, potable water use, effluent re-use, potential recharge back into the aquifer, and overall reduced energy uses at each stage. This highly coordinated use of the resource also improves water quality by helping reduce loads on the wastewater treatment plant operations, thereby reducing overall energy requirements, and chemical treatment usage. Source reduction also translates into lower operation and maintenance costs for wastewater services, and less burden on the local landfills, thus completing a highly resourceful water/energy resource conservation cycle. The overall energy savings at each step of the water and wastewater use cycle is deemed an economic multiplier because for each dollar that is saved in operation, maintenance and labor, that same value can be reinvested many times over in the local economy.

To heighten the understanding and value of the conservation efforts, the Company will also be ensuring its customers are provided with appropriate water use educational materials. Customers, school groups, and other interested individuals will also be encouraged to walk through a xeriscape demonstration project at the water company site, which will additionally provide water harvesting and perma-culture techniques and tips to enhance landscape and energy saving projects. The goal of the water and wastewater company will be to instill base water conservation mandates at the start of all developments, while also increasing the educational awareness of water conservation values for the long term success in protecting and conserving the water resource.

In accordance with the Arizona Corporation Commission ("ACC") Decision No. 70352, Double Diamond Utilities, Inc. was required to adopt and implement water conservation measures. In support of the DDU water conservation goals and the ACC decision, the following measures are identified for adoption and implementation by Double Diamond Utilities, Inc. for customers within their service area.

## **WATER CONSERVATION MEASURES**

### **1. EFFLUENT RE-USE MANDATE.**

Double Diamond Utilities, Inc. shall ensure that wastewater will be treated to an A+ class standard, or equivalent. Treated effluent is anticipated to be utilized for watering community turf and landscape areas at parks, schools, landscape medians, and other public facilities. Treated effluent may also be utilized for construction water purposes, golf course watering, project water features, recharge efforts, etc. Consistent with the master water and wastewater plan submitted with the Double Diamond CCN, the initial effluent water lines will be extended from the wastewater treatment facility to the two major park areas, and the school site, to serve these effluent use sites.

### **2. ON-SITE WATER HARVESTING.**

On-site water harvesting implementation shall be pursued when any structure or development area includes exterior water needs. The water harvesting approaches shall be encouraged by DDU at the onset of any development project that requests service from DDU as a part of the utility design requirement. Development projects shall have significant flexibility in meeting the on-site water harvesting requirement through a multitude of options including water catchment devices, cisterns, roof drains, grading and drainage designs, microbasins, swales, and other proven water harvesting methods. The goal of the on-site water harvesting program is to intercept stormwater runoff from new residential and commercial development, and put that runoff to on-site beneficial use.

### **3. HOT WATER DEMAND DEVICE.**

Hot Water on Demand devices shall be installed in all residential, multi family, commercial and other structures requesting water service from the DDU. Each person requesting service will be required to certify that one or more hot water recirculation devices is located at the premises requesting service. Certification of the pressure of Hot Water Recirculation devices, or approved equivalent water saving devices will be a condition of water and wastewater service. A proposed tariff requesting this measure is attached.

### **4. NEW METER CUSTOMER EDUCATION PACKAGE.**

A major goal of the water conservation plan is to educate and support DDU customers in all water conservation measures implemented. After the new customer has fully completed the hot water on demand requirement and is ready for service, DDU intends to provide a "New Customer Education Packet" to each new meter customer. The packet will include, at a minimum; A cover letter describing the water conservation expectations for all customers in the

DDU service area, xeriscape landscape information, a basic interior and exterior water saving pamphlet, and a low flow, exterior, water hose nozzle to each new customer in the DDU service area.

**5. XERISCAPE & WATER HARVESTING DEMONSTRATION GARDEN.**

DDU shall design, construct and maintain a native plant, xeriscape and water harvesting demonstration garden at the DDU water tank site in Section 31, T28N, R19W. The demonstration garden shall include a variety of low water use irrigation systems, a large variety of native plants, ground cover variables which utilize organic and inorganic mulches, shade trees, water harvesting techniques including French drains, perma-culture grading swales, micro-basins, and cisterns. The demonstration garden shall include a walkway throughout the site and will also include field identification of each of the varieties of plants, water harvesting techniques, etc. A major goal of the garden will be for community education purposes and therefore DDU also intends to work with the schools, including the universities, to continually upgrade the site with additional technologies and techniques. Pamphlets on water harvesting and xeriscape approaches will be available at the DDU office, near to the demonstration garden.

**6. SEMI-ANNUAL WATER-SAVING NEWSLETTER.**

These newsletters are proposed in support of the DDU desire to continually update and provide education material to its customers. DDU intends to provide two major newsletters to each customer; one to be provided in the spring, the other in the fall. The goal of the letters is to provide timely information to customers in preparation of the hot summer months, and the cold winter months, in regards to their water and wastewater uses. Data will include water saving tips, home preparation recommendations for water and wastewater systems/pipes, irrigation maintenance issues for summer and winter, water cistern maintenance reminders and additional pertinent topics.

# **PROPOSED TARIFF**

## **Double Diamond Utilities, Inc.**

### **Mandatory Hot Water Recirculation Device Tariff**

#### **Rationale**

In accordance with Commission Decision No. 70352, **Double Diamond Utilities, Inc. ("DDU")** was required to adopt and implement four water conservation measures set forth in the Arizona Department of Water Resources Modified Non-Per Capita Conservation Program Water Conservation Measures. One of the measures that DDU is adopting is a requirement for hot water recirculation devices for residential, multi-family and non-residential customers of DDU.

In all cases, a customer of DDU must have one or more Hot Water Recirculation Devices ("HWR Devices") installed and operating at the customer premises. The approved HWR Devices device will be installed, owned, tested and maintained by the customer.

For a single family residence, one HWR Device is required. For other customers, the number of HWR Devices required by a particular customer will be determined and specified by DDU. A customer must certify that an operating HWR Devices has been installed and is operational at the time a request for water service is made to DDU.

DDU, in its sole discretion, may waive the requirement of a HWR Device if the customer has an alternative water conservation measure in place for hot water use, such as point of use water heaters.

#### **Procedure for New Customer Accounts**

At the time of a request for service, including for the change of the customer responsible for the account, DDU will require the customer to certify that a HWR Device has been installed and is operating at the customer premises. Upon request by DDU, the customer must provide proof of the existence of an operational HWR Device located at the customer premises. If the customer fails to provide the required certification or proof of the HWR Device, then DDU may refuse the request for service to the customer premises.

#### **Main Extension Agreements**

DDU may require the installation of HWR Devices as a provision of a main extension agreement.